

**LODI CITY COUNCIL
REGULAR CITY COUNCIL MEETING
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, NOVEMBER 17, 1999
7:00 P.M.**

1. ROLL CALL

Present: Council Members – Hitchcock, Mann, Nakanishi, Pennino and Land (Mayor)

Absent: Council Members – None

Also Present: City Manager Flynn, Deputy City Manager Keeter, Public Works Director Prima, Community Development Director Bartlam, Police Chief Hansen, Fire Chief Kenley, Human Resources Director Narloch, Electric Utility Director Vallow, City Attorney Hays and City Clerk Reimche

2. INVOCATION

The invocation was given by Pastor Ron Carlson, Fairmont Seventh Day Adventist Church.

3. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Lodi Boy Scout Troop 007.

4. AWARDS / PROCLAMATIONS / PRESENTATIONS

- a) Jeff Jauregui, member of the Greater Lodi Area Youth Commission, acknowledged the Teen of the Month, Erin Masuoka from Bear Creek High School, and the Honorary Teen of the Month, Erin Sherblon from Lodi High School.
- b) City of Lodi Fire Engineer Rick Gerlack made a presentation to the City Council regarding the Annual Santa's Neighborhood Visit and the Canned Food Drive.
- c) Dr. Clifford D. Kerr, a Lodi Bishop in the Church of Jesus Christ of Latter-day Saints, made a presentation to the City Council regarding National Family Month.
- d) Rob Lechner, Chairman, and Myrna Wetzels, member of the Year 2000 Steering Committee, informed the City Council about the Year 2000 Steering Committee Poetry and Essay Contests. Mayor Land presented Certificates of Achievement and \$50 gift certificates for local bookstores to the following winners:

Poetry Contest Winners

- Keriann Quinn, 8th Grade, St. Peter's Lutheran School
- Ryan Jenks, 9th Grade, Jim Elliot Christian High School
- Shawn Carrico, 10th Grade, Bear Creek High School
- Alexia Underwood, 11th Grade, Bear Creek High School
- Sophia Do, 12th Grade, Bear Creek High School

Essay Contest Winners

- Erin Masuoka, 11th Grade, Bear Creek High School
- Aesha Olaso, 12th Grade, Bear Creek High School

5. CONSENT CALENDAR

In accordance with report and recommendation of the City Manager, Council, on motion of Council Member Hitchcock, Nakanishi second, unanimously approved the following items hereinafter set forth **except those otherwise noted**:

- a) Claims were approved in the amount of \$4,437,294.51.

Continued November 17, 1999

- b) The minutes of November 2, 1999 (Special Meeting) and November 3, 1999 (Regular Meeting) were approved as written.
- c) Approved the specifications for 384 electric watthour meters and authorized advertisement for bids. **(Due to a conflict of interest, Council Member Pennino abstained from discussion and voting on this matter.)**
- d) Approved the specifications for 20,000 feet of #2/0 15kV concentric neutral primary underground conductor and authorized advertisement for bids. **(Due to a conflict of interest, Council Member Pennino abstained from discussion and voting on this matter.)**
- e) Approved the specifications for twenty-five 45-foot Class 3 wood utility poles and authorized advertisement for bids. **(Due to a conflict of interest, Council Member Pennino abstained from discussion and voting on this matter.)**
- f) Adopted Resolution No. 99-182 authorizing the purchase of EnviroQuip diffusers for the White Slough Water Pollution Control Facility (WSWPCF) from MISCO, of Pleasanton, in the amount of \$74,800.05, and appropriated funds in accordance with staff's recommendation.
- g) Adopted Resolution No. 99-183 awarding the contract for Lower Sacramento Road 1,000 Feet South of Lodi Avenue Culvert Extension to Altman General Engineering Contractor, of Yuba City, in the amount of \$242,791.00, and appropriated funds in accordance with staff's recommendation.
- h) Adopted Resolution No. 99-184 accepting a portion of the development improvements for Colvin Ranch, Tract No. 2430.
- i) Agenda item #E-9 entitled, "Letter to East Bay Municipal Utility District (EBMUD) supporting Beckman Test Project" was removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar.
- j) Agenda item #E-10 entitled, "Authorize the City Manager to execute a schematic design contract for the new Municipal Service Center (MSC) East Campus, Thurman Street and Guild Avenue" was removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar.
- k) Authorized the City Manager to execute an agreement with Whyte House Productions for the new millennium year-end event in the amount of \$15,000.
- l) Authorized the City Manager to execute an agreement for the Caretaker's apartment at Hutchins Street Square.
- m) Adopted Resolution No. 99-185 approving destruction of certain files retained by the Lodi Fire Prevention Bureau.
- n) Agenda item #E-14 entitled, "Transfer of funds to the Electric Utility Capital Outlay Fund 161" was removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar.
- o) Authorized request for quotations for an unbundled cost of service study analysis not to exceed \$50,000 in support of Open Access. **(Due to a conflict of interest, Council Member Pennino abstained from discussion and voting on this matter.)**

- p) Set Public Hearing for December 15, 1999 to consider the Planning Commission's recommendation that the City Council adopt an amendment to the City of Lodi's Municipal Code, Chapter 17, by adding Section 17.73 "Live Entertainment Permits".
 - q) Set Public Hearing for December 15, 1999 to consider the Planning Commission's recommendation that the City Council adopt the Growth Management Allocations.
 - r) Established December 15, 1999 as date for Public Hearing for confirming Annual Report and consideration of levy of assessment for Downtown Lodi Business Improvement Area No. 1 (Streets and Highways Code §36533).
 - s) Agenda item #E-19 entitled, "Approve Mid-Management, Management and Confidential compensation adjustments as per Council direction" was removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar.
 - t) Agenda item #E-20 entitled, "Approve class specification and salary range for Aquatics Coordinator" was removed from the Consent Calendar and discussed and acted upon following approval of the Consent Calendar.
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6. ACTION ON ITEMS REMOVED FROM THE CONSENT CALENDAR

- a) Agenda item #E-9 entitled, "Letter to East Bay Municipal Utility District (EBMUD) supporting Beckman Test Project".

Public Works Director Prima reported that through its membership in East San Joaquin Parties Water Authority (ESJPWA), the City has supported development of a groundwater enhancement project in cooperation with EBMUD. Our support has included a significant amount of staff time and over \$60,000 in monetary contributions in the last two years. Conceptually, the project calls for EBMUD to provide high-quality surface water for injection into the groundwater during normal and wet years. In dry years, ESJPWA would pump water for export to EBMUD. The amounts of water injected and exported would be adjusted so there is a net benefit (addition) to the amount of groundwater in the basin. Discussions have centered on a long-term average of 2 to 1 import versus export. Conjunctive use variations of the project would call for EBMUD to supply surface water in lieu of local water agencies using groundwater. The net result is that the current overpumping of groundwater would be reduced.

The project to date has consisted of much discussion, negotiation, and a small test project, known as the Beckman Test Project. This consisted of one injection/extraction well which has demonstrated the technical feasibility of the project and provided useful data for design of possible future projects. Unfortunately, the County Water Advisory Commission denied the export of a very small amount of water as part of the initial test.

The next phase of the test project would consist of injection and extraction of additional water, monitoring wells and engineering analysis, all in order to answer questions about migration of injected water. Also, from a practical standpoint, EBMUD needs to know if San Joaquin County interests can come together to develop a project that meets both our needs. Thus, EBMUD has asked for letters of support before they commit additional water, time and money to continuation of the project.

Stockton East Water District has sent such a letter. Quite frankly, staff feels that the water agencies in San Joaquin County are being too reluctant in their approach to conjunctive-use programs. Thus, the letter we are presenting for consideration reflects this sentiment. Based on past Council direction, staff has continued to meet with local irrigation districts and EBMUD to discuss such opportunities. Given the importance of

groundwater, not only to the City but also to the adjacent agricultural community, which is a major portion of Lodi's economy, Lodi may need to take a more aggressive role in development of a project.

Council Member Nakanishi requested the Public Works Director explain this matter in further detail.

Speaking on the matter was Robert Johnson, 1311 Midvale Road, Lodi, who affirmed the comments in staff's report. Mr. Johnson asked the Council to reread the report and think about this project more broadly.

Council Member Nakanishi expressed a concern that if the City had well contamination, we would have no backup plan for the community.

Following additional discussion, the City Council, on motion of Council Member Pennino, Nakanishi second, unanimously approved sending a letter to EBMUD in support of the next phase of the Beckman Test Project.

- b) Agenda item #E-10 entitled, "Authorize the City Manager to execute a schematic design contract for the new Municipal Service Center (MSC) East Campus, Thurman Street and Guild Avenue.

(Council Member Pennino left the Council table during discussion and voting of this matter, and was, therefore, absent during this item.)

Public Works Director Prima reminded the City Council that at its November 18, 1998 meeting, the City Council authorized the City Manager to execute a professional services agreement with Wenell Mattheis Bowe for a master plan and space needs evaluation of the existing MSC, located on Ham Lane at Kettleman Lane. This work is nearing completion. This evaluation has resulted in a plan to house Public Works field and vehicle maintenance operations and a portion of the engineering staff, plus the Parks Maintenance Division of the Parks and Recreation Department. This phase of the project will entail some remodeling of the existing buildings to provide the increased space needs of these activities. However, design and construction will not take place until the MSC East Campus project is well underway.

The MSC East Campus will house the Electric Utility Department and the Purchasing Division of the Finance Department. Currently, both are at the MSC West Campus. In addition, space will be set aside for future expansion and possible relocation of the Animal Shelter.

The next phase in the project is the schematic design of the new MSC East Campus buildings on the City-owned site at Thurman Street and Guild Avenue. Schematic design establishes the scope of the project, including the site plan, floor plans, layout, building elevations and design sections, written description of site and building systems (electrical, mechanical, security, etc.), and an associated "framework" project cost estimate.

The estimated cost for this work is \$160,000.

Speaking on the matter was Robert Johnson, 1311 Midvale Road, Lodi, who requested that the City consider modular buildings for both the Public Safety and MSC East Campus buildings. There would be a savings to the City in that they are cheaper to construct, and the buildings can look any way you want.

Following additional discussion, the City Council, on motion of Mayor Land, Nakanishi second, authorized the City Manager to execute a contract with Wenell Mattheis Bowe, of Stockton, for the schematic design of the new MSC East Campus, and to execute contract change orders, as needed, for this project by the following vote:

Ayes: Council Members – Hitchcock, Mann, Nakanishi and Land (Mayor)

Noes: Council Members – None

Absent: Council Members – Pennino

- c) Agenda item #E-14 entitled, "Transfer of funds to the Electric Utility Capital Outlay Fund 161".

(Due to a conflict of interest, Council Member Pennino abstained from discussion and voting on this matter.)

Electric Utility Director Vallow indicated that as previously discussed with Council and as outlined in the financing official statement. Fiscal year 1999-2005 capital projects and equipment, except for \$600,000 per year, were to be funded by other than previously existing Electric Utility Department reserves. All items listed below, with the exception of the Lodi Transmission Project continuation and the new Streetlight Improvement Project, were approved as part of the fiscal year 1999-2001 budget process. The Lodi Transmission and Streetlight Improvement Projects were to be added later pending successful completion of the financing.

Only partial funding of selected projects is requested at this time in order to continue to take advantage of the higher interest rate than can be obtained by leaving currently unneeded financing proceeds with the trustee. Transferred funds will draw interest at the existing Local Agency Investment Fund (LAIF) interest rate in the Electric Utility Outlay Fund until withdrawn for use. Recommended amounts are as follows:

Fiscal Year 1999-2001 Budget Projects

1.	Municipal Service Center Expansion	\$ 750,000
2.	SCADA and UPS Systems, replacement	107,500
3.	Watthour Meter Test System, replacement	40,000
4.	Engineering Design Software, re-budgeted	80,000
5.	Line Extensions, Service Connections, Substructures and Rev. Metering	716,200
6.	Distribution System Improvement and Dusk to Dawn Lighting	1,512,200
7.	Substation Construction, High Voltage	330,000
8.	Harmonics Analyzer, replacement	22,000
9.	Vehicles, replacement	<u>250,000</u>
	Subtotal	\$3,807,900

Planned Additional Projects Fiscal Year 1999-2001

1.	Lodi 230/60kV Interconnect (continuation with new source of funds)	\$1,500,000
2.	Street Light Improvement	<u>150,000</u>
	Subtotal	\$1,650,000
	TOTAL	\$5,457,900

Requests for actual expenditures, Special Allocations and contract approvals will be in accordance with existing City policies and procedures. Approval of the above transfer only releases funds to the Electric Utility Capital Outlay Fund 161.

Council Member Nakanishi removed this item from the Consent Calendar in order to pose questions regarding the matter, which were responded to by Electric Utility Director Vallow. Further Council Member Hitchcock posed questions regarding power source.

Following additional discussion, the City Council, on motion of Council Member Nakanishi, Hitchcock second, adopted Resolution No. 99-186 approving the transfer of \$5,457,900 to the Electric Utility Capital Outlay Fund 161 by the following vote:

Ayes: Council Members – Hitchcock, Mann, Nakanishi and Land (Mayor)
Noes: Council Members – None
Absent: Council Members – None
Abstain: Council Members – Pennino

- d) Agenda item #E-19 entitled, "Approve Mid-Management, Management and Confidential compensation adjustments as per Council direction".

Human Resources Director Narloch reported that the City Council, during the November 3, 1999 Closed Session, unanimously directed staff to proceed with implementation of compensation adjustments for Mid-Management, Management and Confidential employees. The compensation and recommended implementation schedules were presented as follows:

Mid-Management Employees

1. 6% overall average equity adjustment effective the first full pay period of November, 1999 (exhibit on file in the City Clerk's Office).
2. 2% Cost of Living Adjustment (COLA) effective the first full pay period in July 2000
3. 2.5% COLA effective the first full pay period in July 2001, 2002 and 2003
4. 2% Deferred Compensation match effective November, 1999

Management Employees

1. 3% COLA effective the first full pay period in January 2000, 2001, 2002, 2003 and 2004
2. 2% Deferred Compensation match effective January 2000

Confidential Employees

1. 3% Deferred Compensation match effective January 2000

The aforementioned COLA's do not include the Librarian (set by the Library Board), Council appointees (set by Council), or Police.

The salary adjustments for Mid-Management are based on an external labor market salary survey conducted by Bryce Consulting. The study included identifying a labor market, benchmarking job classes to the survey, collecting and analyzing data, and developing a salary plan for all classes in the mid-management group. The salary plan uses market data and internal relationships to ensure parity to the labor market and internal equity within the organization.

In addition to the recommended adjustments, Council directed staff to research a 2% at 55 Retirement Program for all miscellaneous employees. Staff will work with CalPERS to obtain the necessary data and will provide the details to Council as it becomes available to staff.

Council Member Nakanishi posed questions to the Human Resources Director regarding the proposal. In addition, Council Member Nakanishi expressed that he was not in favor of the proposed COLA.

Council Member Pennino expressed a concern that citizens know that Management employees are not guaranteed pay raises. City Manager Flynn explained the process for performance evaluations and the granting of pay increases to Management employees.

Following further discussion, the City Council, on motion of Council Member Pennino, Hitchcock second, adopted Resolution No. 99-187 adjusting compensation for Mid-Management, Management and Confidential employees by the following vote:

Ayes: Council Members – Hitchcock, Mann, Pennino and Land (Mayor)

Noes: Council Members – Nakanishi

Absent: Council Members – None

- e) Agenda item #E-20 entitled, "Approve class specification and salary range for Aquatics Coordinator".

Human Resources Director Narloch reported that since its opening in 1990, the Community Center pool has been staffed by part-time lifeguards. These lifeguards have been young adults who have schooling commitments and/or are actively seeking full-time employment. Therefore, the turnover rate has been high, and staffing has been difficult to maintain. As a result, the continuity in services that the pool provides has been inconsistent and revenue has been lost. A classification study which has been conducted reveals that this position will be responsible for overall operations of the pool's services including the training and certification of lifeguards not only for the Community Center but for all City lifeguards. This position will also contribute to increased revenue through the elimination of a part-time position, by expanding the pool's hours of operation, working with Lodi Memorial Hospital's physical and pediatric therapy programs, and enhancing Camp Hutchins' swim program. This classification will be placed in the General Services collective bargaining unit.

Council Member Pennino asked questions regarding the supervisory authority as it pertained to all City lifeguards. Council Member Hitchcock felt that the job description needs to be more specific with this person also serving as a lifeguard when needed; however, staff indicated that the Aquatics Coordinator definition notes the lifeguard function as a duty.

Following further discussion, the City Council, on motion of Council Member Pennino, Hitchcock second, unanimously adopted Resolution No. 99-188 approving the class specification and the following salary range for Aquatics Coordinator:

<u>Step A</u>	<u>Step B</u>	<u>Step C</u>	<u>Step D</u>	<u>Step E</u>
\$2,306.85	\$2,422.19	\$2,543.30	\$2,670.47	\$2,803.99

7. PUBLIC HEARINGS

None.

8. RECESS

Mayor Land called for a ten-minute recess, and the City Council meeting reconvened at approximately 8:40 p.m.

9. COMMUNICATIONS (CITY CLERK)

- a) The following report was presented to the City Council:

1. Planning Commission report of October 27, 1999

10. REGULAR CALENDAR

- a) Agenda item #H-1 entitled, "Recommended use for 100 East Pine Street (New Shanghai Restaurant) and authorize City Manager to execute lease agreement".

Public Works Director Prima reported that in December 1998, the City Council accepted the donation of the property at 100 East Pine Street from Donald Wong. The property includes a former restaurant building, built in 1996. Mr. Wong requested that the building be used "for the benefit of the citizens of Lodi", preferably seniors or youths, and that it not be demolished for at least ten years.

Council directed staff to prepare and issue a Request for Proposal (RFP). RFP's were mailed to approximately 70 local agencies/organizations. Six proposals were received and evaluated, and the highest-ranking organization, Health for All, Inc., was interviewed. Other organizations that submitted proposals were: San Joaquin Valley Square Dancing Association, Tokay Players, Stockton-Lodi Church of Religious Science, Lodi Gang Alternative Project (GAP), and the Lodi Fellowship Church – Operation Help (Food Locker).

After the interview, City staff toured the organization's current facility, at 125 South Washington Street, and observed the program in operation. Staff's recommendation is that Health for All, Inc. be allowed to lease the Pine Street facility for ten years, as their proposal requests. They intend to apply for a low-interest loan to fund the tenant improvements that would be required to meet their governing agencies' building requirements, and have pledged to work with the Public Works and Community Development departments to ensure that any remodeling done meets all Code requirements. They anticipate spending \$250,000 to \$300,000 on tenant improvements. This is an expansion project for Health for All, Inc. and they intend to continue to operate at their existing site at 125 South Washington Street.

A Phase I Environmental Report was completed, finding some asbestos-containing floor tiles. Removal of the affected tile is estimated at \$10,000 and is at the City's expense. Health for All will work with the City to see that all asbestos is removed prior to occupancy, and are willing to coordinate that with other construction work.

Representatives from Health for All, Inc., addressed the City Council and responded to questions regarding the matter.

Members of the City Council expressed a desire that Health for All allow other organizations to use the facility during periods of non-operation. Health for All representatives indicated that they would be open to working with other organizations.

Following discussion, the City Council, on motion of Council Member Hitchcock, Pennino second, unanimously directed the City Manager and City Attorney to draft and execute a lease agreement with Health for All, Inc., a non-profit local organization that provides adult day health care services for local adults who are unable to function independently in their homes; and appropriated funds in accordance with staff recommendation. (The facility to be leased is the former New Shanghai Restaurant located at 100 East Pine Street, and the term of the lease will be ten years at \$1 per year).

- b) Agenda item #H-2 entitled, "Ordinance regarding vehicles for sale on City streets".

Public Works Director Prima reported that at the October 26, 1999 Shirtsleeve Session, City Council directed staff to modify the current ordinance to prohibit the sale of vehicles on any public street or right-of-way. At that meeting, staff reviewed previous Council actions that have taken place over the last ten years to deal with this issue. Council and staff are still receiving complaints about vehicles parked for sale in the vicinity of Lower Sacramento Road north of Vine Street.

Since 1997, the Public Works Traffic Engineering staff has received 20 complaints related to vehicles for sale parked along and adjacent to Lower Sacramento Road. In 1997, there were four rear-end collisions with one collision report stating that the motorist was looking at the vehicles for sale and two reports indicating accidents were due to inattention. Staff has installed parking restrictions near the intersections to limit the area in which vehicles can park. Since installing the parking restrictions along Lower Sacramento Road north of Vine Street in June 1998, there has been one rear-end collision where the driver stated he was distracted by the vehicles for sale, and four rear-end collisions that could potentially have been caused by drivers distracted by the parked vehicles for sale. It appears that collisions are still occurring even with the additional parking restrictions and that these vehicles are still creating distractions for drivers.

As requested, Lodi Municipal Code 10.44.040 Subsections A and C have been modified to regulate the manner of displaying vehicles for sale. The ordinance allows vehicles to be parked for sale at an owner's residence and on the public street immediately adjacent to an owner's property. This will allow owners to sell their vehicles in front of their homes. A public agency adjacent to Lodi has this type of restriction and its police officers have indicated it has not been an enforcement problem.

Also, a modification is recommended to prohibit vehicles for sale from parking within 200 feet of any intersection. The current ordinance prohibits vehicles for sale from parking within 200 feet of a signalized or four-way-stop-controlled intersection. As stated in the ordinance, the reason is that those vehicles constitute a traffic hazard by distracting the attention of passing motorists and pedestrians away from other traffic moving through and about this type of intersection. However, one-way and two-way stop-controlled intersections are not included in this prohibition. A similar traffic hazard could occur at any intersection and, therefore, it is recommended that this type of restriction apply to all intersections.

At the Shirtsleeve Session, staff also discussed for-sale-by-owner parking facilities similar to those in other cities at school sites. These facilities operate as a fundraiser for the school and do not involve City government. Council directed staff not to pursue this option, but did not object if a school is interested in this type of operation.

Speaking in opposition to this matter was the following person:

1. Wilbert Ruhl, 265 Almond Drive, Lodi, stated that this is not unique to the City of Lodi and indicated that some years ago such an ordinance was passed and a lawsuit was filed based on the free speech issue. Mr. Ruhl spoke at length regarding his opposition to adopting the subject ordinance.

Speaking in support of the proposed ordinance were the following persons:

1. James Coward, 2339 Wintergreen Court, Lodi, indicated his concern that the situation had created a real safety issue.
2. Chad Barrow, 2315 Wintergreen Court, Lodi, talked about the safety issue and the fact that no one would like to have this situation in front of their homes.
3. Hilda Sanguinetti, 2401 West Cochran Road, Lodi.
4. Richard Werner, 2339 Wintergreen Court, Lodi.

Following discussion, the City Council, on motion of Mayor Pro Tempore Mann, Hitchcock second, introduced Ordinance No. 1685 entitled, "An Ordinance Of The City Council Of The City Of Lodi Amending Chapter 10.44 Of The Lodi Municipal Code By Repealing And Reenacting Sections 10.44.040 (A) And (C), Relating To Display Of 'For Sale' Signs On Vehicles, Vessels Or Trailers On City Streets" by the following vote:

Ayes: Council Members – Hitchcock, Mann and Land (Mayor)

Noes: Council Members – Nakanishi and Pennino

Absent: Council Members – None

- c) Agenda item #H-3 entitled, "City of Lodi Electric Utility Department Open Access Policy".
(Due to a conflict of interest, Council Member Pennino abstained from discussion and voting on this matter.)

Electric Utility Director Vallow presented a brief report regarding this matter.

Following discussion and questions by the City Council, it was determined that this matter would be placed on the agenda for December 15, 1999.

- d) Agenda item #H-4 entitled, "Resolution authorizing execution of Cooperation Agreement between City and Redevelopment Agency".

City Attorney Hays reported that on July 7, 1999, the City Council adopted Ordinance No. 1675. That Ordinance became effective thirty days subsequent to its adoption. At that time the City of Lodi Redevelopment Agency came into being. Since that time staff has been working to bring back to Council a package which would put the Agency into the position of being able to move forward to acquire professional services to assist staff in the development of a Redevelopment Plan and the necessary environmental documents.

One of the critical elements of that package is a Cooperation Agreement between the City and the Redevelopment Agency. This is because that at the outset redevelopment agencies begin their program with funding from the parent jurisdiction which in this case is the City. Since redevelopment agencies generate their revenues through tax increments, they do not have that available to them at start up.

The agreement before Council is developed based upon the previous budgeting done by the City with the anticipation that it would provide funding for its Redevelopment Agency to use. The agreement recognizes the funding level that the City has established in the current budget. The document as well recognizes that the funds being provided to the agency are a loan and are to be paid back at such time as the agency develops increment. The loan bears an interest rate based upon a number provided by the Finance Director, which is equivalent to the LAIF rate currently applicable to City funds.

The companion item to this Cooperation Agreement is found on the Redevelopment Agency agenda as Item J. That agenda item of the Agency seeks to put in place an agreement for professional services to assist staff in the development of a Redevelopment Plan and the necessary environmental documents.

Following discussion, the City Council, on motion of Mayor Pro Tempore Mann, Hitchcock second, adopted Resolution No. 99-181 authorizing the execution of the Cooperation Agreement between the City of Lodi and the Redevelopment Agency by the following vote:

Ayes: Council Members – Hitchcock, Mann, Pennino and Land (Mayor)

Noes: Council Members – Nakanishi

Absent: Council Members – None

11. MEETING OF THE REDEVELOPMENT AGENCY

Mayor Land adjourned the City Council meeting at approximately 10:25 p.m. to a meeting of the City of Lodi Redevelopment Agency.

For information regarding this matter, please refer to the minutes of the Redevelopment Agency attached as Exhibit A.

Mayor Land reconvened the City Council meeting at 11:00 p.m.

12. VOTE TO CONTINUE WITH THE REMAINDER OF THE MEETING

Pursuant to the Lodi Municipal Code, the City Council, on motion of Council Member Pennino, Hitchcock second, unanimously voted to continue with the remainder of the meeting following the 11:00 p.m. hour.

13. RECESS

Mayor Land called for a five-minute recess, and the City Council meeting reconvened at approximately 11:07 p.m.

14. ORDINANCES

- a) Ordinance No. 1683 entitled, "An Ordinance Of The City Council Of The City Of Lodi Amending Title 2 – Administration And Personnel Of The Lodi Municipal Code By Adding Chapter 2.34, Relating To Administrative Procedures" having been introduced at a regular meeting of the Lodi City Council held November 3, 1999 was brought up for passage on motion of Council Member Pennino, Land second. Second reading of the ordinance was omitted after reading by title, and the ordinance was then adopted and ordered to print by the following vote:

Ayes: Council Members – Hitchcock, Mann, Nakanishi, Pennino and Land (Mayor)
Noes: Council Members – None
Absent: Council Members – None

- b) Ordinance No. 1684 entitled, "An Ordinance Of The City Council Of The City Of Lodi Repealing And Reenacting Lodi Municipal Code Title 8, Health And Safety, Chapter 8.24 Relating To Comprehensive Municipal Environmental Response And Liability" having been introduced at a regular meeting of the Lodi City Council held November 3, 1999 was brought up for passage on motion of Mayor Land, Pennino second. Second reading of the ordinance was omitted after reading by title, and the ordinance was then adopted and ordered to print by the following vote:

Ayes: Council Members – Mann, Nakanishi, Pennino and Land (Mayor)
Noes: Council Members – Hitchcock
Absent: Council Members – None

15. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS

There was no one wishing to speak under this segment of the agenda.

16. COMMENTS BY CITY COUNCIL MEMBERS ON NON-AGENDA ITEMS

- a) Mayor Pro Tempore Mann indicated his concern about the recent bad publicity the City of Lodi received regarding its water. As requested, Public Works Director Prima spoke regarding the subject and those responsible for the news release. Mayor Pro Tempore Mann indicated that, in addition to what has already been done to inform our citizens regarding this situation, he would like to see the City run a couple of ads reassuring our citizens that our water is safe.
- b) Mayor Land indicated that he had received numerous complaints on the poor condition of the Union Pacific railroad tracks on Lodi Avenue. Public Works Director Prima gave an update indicating that work to improve the condition of the railroad tracks at that location will begin on November 29th which will necessitate the closing of Lodi Avenue in that area for a couple of days.

Mayor Land wished the community a very Happy Thanksgiving and spoke about the City of Lodi and its many blessings.

Continued November 17, 1999

- c) Council Member Hitchcock spoke about the resignation of Lodi Unified School District (LUSD) Superintendent of Schools Del Alberti, of his good work with the District, and how he will be sorely missed.
- d) Council Member Pennino indicated that he recently met with Kevin Huber, President of the Grupe Corporation. Mr. Huber had shared that during a recent meeting of the Young Presidents Club, the group was very impressed with its tour of our downtown.
- e) Public Works Director Prima spoke about the Lower Sacramento Road studies (particularly the Woodbridge area) indicating that a meeting was being held regarding the matter at 7:00 p.m. on November 18, 1999 at the Elk Lodge in Woodbridge. Mr. Prima further explained that staff members had been participating in these meetings.
- f) City Manager Flynn congratulated Mayor Land on a very fine year.

17. CLOSED SESSION

Mayor Land announced that there was no need for a Closed Session to discuss the following matter:

- a) Conference with labor negotiator, Human Resources Director Joanne Narloch, regarding Lodi Police Dispatchers' Association (LPDA) pursuant to Government Code §54957.6

18. ADJOURNMENT

There being no further business to come before the City Council, the meeting was adjourned at approximately 11:20 p.m.

ATTEST:

Alice M. Reimche
City Clerk

**MEETING OF THE
CITY OF LODI REDEVELOPMENT AGENCY
CARNEGIE FORUM, 305 WEST PINE STREET
WEDNESDAY, NOVEMBER 17, 1999
10:25 P.M.**

EXHIBIT A

1. ROLL CALL

Present: Members – Hitchcock, Mann, Nakanishi, Pennino and Land (Mayor)

Absent: Members – None

Also Present: Executive Director Flynn, Deputy City Manager Keeter, General Counsel Hays and Secretary Reimche

2. MEETING OF THE CITY OF LODI REDEVELOPMENT AGENCY

City Attorney Hays reported that on July 7, 1999, the City Council adopted Ordinance No. 1675. That Ordinance became effective thirty days subsequent to its adoption. At that time the City of Lodi Redevelopment Agency came into being. Since that time staff has been working to bring to the Agency a recommendation regarding the acquisition of professional services to assist staff in the development of a redevelopment plan and the necessary environmental documents.

Item B on the agenda is represented by a Resolution, which makes some basic organization statements and names the Mayor and Mayor Pro Tempore as the member officers of the Agency.

Item C on the agenda is presented for adoption by resolution of the Agency. In enacting the resolution, the bylaws of the Agency would be approved. These bylaws are typical bylaws for Redevelopment Agencies. They provide basic operating perimeters relative to meeting times, as well as a meeting place. Also conduct of business is set out relative to agenda form as another example of activity under the bylaws. Additionally, the bylaws provide for compensation to the members. The level of compensation is established by Health and Safety Code §33114.5 and is embodied in that portion of the bylaws titled Compensation. Additionally, those members of staff who function as officers within the corporation are also set forth.

Item D on the agenda is a resolution authorizing the adoption of Personnel Rules and Regulations. The resolution is quite simple in form since the Agency is simply being asked to adopt the City's Personnel Rules and Regulations as it's own. Since City personnel functions as the staff for the Agency, it is a reasonable request so that there are not different rules applying to City staff members when they are functioning as staff for the agency.

Items F and G on the agendas are truly ministerial acts on the part of the Agency in order to address requirements under the statute by which the Agency was formed. The designating of a newspaper of general circulation is simply done in order to make it clear where notices that need to be published by the Agency will in fact be published. Item G authorizing the filing of Statement of Organization is simply done so that a roster of redevelopment agencies can be maintained by the State. Such a filing also notifies the County of the existence of the Agency.

On Item H the Agency is obliged to adopt a Conflict of Interest Code both for the Agency members and for officers and employees. Basically, the Agency is adopting and applying to itself and its officers and employees the Conflict of Interest Code of the City of Lodi. This particular undertaking then cuts down on the number of filings that have to be made since filing under the one Code simply allows you to designate that it is also a filing for the Agency.

Item I on the agenda is the first time of real substance to be undertaken by the Agency. What has been prepared for the Agency consideration is the execution of the Cooperation Agreement between the Agency and the City. The purpose of this particular agreement is to put the Agency in a position to have funding available to it to begin undertaking its activities. The agreement makes clear that the Agency is receiving a loan from the City and therefore has a debt that is to be repaid to the City at such time as the Agency is able to develop tax increment funds. By the Agency acting, a bilateral agreement is created between the City and the Agency which will provide funding to the Agency.

Item J on the agenda is placed to logically follow the action which the Agency is requested to take on Item I. If the Cooperation Agreement between the City and the Agency is not in place, the Agency will not have the funds available to undertake the Redevelopment Plan work as well as the preparation of the environmental documents associated with such work.

Community Development Director Bartlam provided the following report regarding the professional services agreement with Seifel Associates for Redevelopment Plan and environmental documents.

As the City Council will recall, the Lodi Redevelopment Agency was established earlier this year. The next step in the process of identifying an area for redevelopment purposes is the preparation of a plan. The consultant staff recommends specializes in this type of work and has completed projects similar to ours throughout the State.

Staff prepared a Request for Proposal (RFP) and sent that request to qualified consultants who provide agency services. Two proposals were received and an interview of those firms was conducted. The City Attorney, Community Development Director and Rich Laiblin from the County Administrator's office reviewed the proposals for content and relevant experience. Based on this review and the interview process, it is staffs recommendation to retain Seifel Associates to prepare the necessary documents in order to establish a redevelopment project area.

The contract amount is \$222,050. The Council has budgeted \$200,000 in this year's budget for this work. The additional \$22,050 will come from the Contingency Fund. This entire amount will be repaid to the General Fund from Agency revenues once those are established.

Speaking on the matter was Georgianna Reichelt, 3605 East Louise Avenue, Manteca, who spoke at length in opposition to the formation of a Redevelopment Agency. She indicated that she represents a group that is against redevelopment and stated that they feel redevelopment represents corporate welfare. Ms. Reichelt also presented several publications regarding the subject.

Following discussion, the Agency took the following actions:

- On motion of Chair Land, Mann second, unanimously adopted Resolution No. RDA99-1 entitled, "A Resolution Of The Redevelopment Agency Of The City Of Lodi Organizing Said Agency And Naming Officers";
- On motion of Member Pennino, Hitchcock second, unanimously adopted Resolution No. RDA99-2 entitled, "A Resolution Of The Redevelopment Agency Of The City Of Lodi Adopting Bylaws For The Redevelopment Agency Of The City Of Lodi And Appointing Officers";
- On motion of Member Hitchcock, Mann second, unanimously adopted Resolution No. RDA99-3 entitled, "A Resolution Of The Redevelopment Agency Of The City Of Lodi Adopting Personnel Rules And Regulations";
- On motion of Member Pennino, Hitchcock second, unanimously adopted Resolution No. RDA99-4 entitled, "A Resolution Of The Redevelopment Agency Of The City Of Lodi Adopting Procedures For The Preparation, Processing And Review Of Environmental Documents";
- On motion of Member Mann, Hitchcock second, unanimously adopted Resolution No. RDA99-5 entitled, "A Resolution Of The Redevelopment Agency Of The City Of Lodi Designating The Lodi News Sentinel As A Newspaper Of General Circulation For Publication Of Official Notices";
- On motion of Member Pennino, Mann second, unanimously adopted Resolution No. RDA99-6 entitled, "A Resolution Of The Redevelopment Agency Of The City Of Lodi Authorizing The Secretary Of The Agency To File A Statement Of Organization With The Secretary Of State And The County Clerk Of San Joaquin County";

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- On motion of Member Mann, Hitchcock second, unanimously adopted Resolution No. RDA99-7 entitled, "A Resolution Of The Redevelopment Agency Of The City Of Lodi Adopting Conflict Of Interest Codes Applicable To Agency Officers And Employees And To The Members Of The Agency Pursuant To The Political Reform Act Of 1974";
- On motion of Member Mann, Hitchcock second, adopted Resolution No. RDA99-8 entitled, "A Resolution Of The Redevelopment Agency Of The City Of Lodi Authorizing The Execution Of A Cooperation Agreement With The City Of Lodi" by the vote shown below:

Ayes: Members – Hitchcock, Mann, Pennino and Land (Chair)
Noes: Members – Nakanishi
Absent: Members – None

- On motion of Member Pennino, Hitchcock second, unanimously adopted Resolution No. RDA99-9 entitled, "A Resolution Of The Redevelopment Agency Of The City Of Lodi Authorizing The Executive Director To Execute Professional Services Agreement With Seifel Associates For Redevelopment Plan And Environmental Documents".

3. ADJOURNMENT

There being no further business to come before the Redevelopment Agency, the meeting was adjourned at approximately 11:00 p.m.

ATTEST:

Alice M. Reimche
Secretary